LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m., on TUESDAY, FEBRUARY 10, 2004, upon the application of J-W OPERATING COMPANY. At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Hosston Zone, Reservoir A and the Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo Parish, Louisiana.

- 1. To designate the J-W Operating Company Smith et al 14 No.1 Well, located as shown on the plat submitted with the application, as the substitute unit well for HOSS RA SU90.
- 2. To find that designation and use of the J-W Operating Company Smith et al 14 No. 1 Well as the substitute unit well for HOSS RA SU90 is necessary to efficiently and economically drain a portion of the Hosston Zone, Reservoir A, underlying HOSS RA SU90 which cannot be efficiently and economically drained by any existing well on this unit.
- 3. To designate J-W Operating Company as operator of HOSS RA SU90.
- 4. To approve the downhole combination of production from that portion of the Hosston Zone, Reservoir A, underlying HOSS RA SU90 and lying below the true vertical depth of 7,600 feet with production from the Cotton Valley Formation, Reservoir A, underlying CV RA SU89 in the wellbore of the proposed substitute unit well, and in the wellbore of any existing or future well located on HOSS RA SU90 and CV RA SU89 in which the ownership interests in these units are identical.
- 5. To consider such other matters as may be pertinent.

The Hosston Zone, Reservoir A, in the Elm Grove Field, Caddo, Webster and Bossier Parishes, Louisiana, was defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972 and was further defined in subsequent Orders of the 361-A Series of Orders.

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo, Webster and Bossier Parishes, Louisiana, was defined in Office of Conservation Order No. 361-B, effective October 1, 1973 and was further defined in subsequent Orders of the 361-B Series of Orders.

A plat is available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

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ELM GROVE FIELD 04-197 and 04-198

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 1/22/04;1/27/04 S dpe

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION - ENGINEERING DIVISION AT P. O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.